



**ARIZONA STATE SENATE**  
*Fifty-Second Legislature, Second Regular Session*

**AMENDED**  
**FACT SHEET FOR S.B. 1421**

boards; commissions; compensation; expenses

Purpose

Requires all financial and performance audits performed by the Office of Auditor General (OAG) to evaluate use of administrative funds, per diem compensation and reimbursement of expenses for each employee of a state agency or member of a board, commission, council or advisory committee.

Background

The OAG is required by statute to perform audits for state agencies, counties, universities, community college districts and school districts using generally accepted governmental auditing standards. The OAG also performs procedural reviews for all state agencies including evaluation of administrative and internal accounting controls and prepares a report on the review. The OAG may be assigned by Joint Legislative Audit Committee (JLAC) to perform special research, audits or investigations of state agencies (A.R.S. § 41-1279.03).

JLAC oversees all audit functions of the Arizona Legislature and state agencies including sunset, performance, special and financial audits and special research requests, including preparation and introduction of legislation resulting from audit findings. JLAC appoints an Auditor General, subject to approval by a majority vote of both legislative houses (A.R.S. § 41-1279).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Requires the OAG to annually review a sample of employee and member's per diem compensation and reimbursement expenses.
2. Directs each board, commission, council or advisory committee to submit a report to the Department of Administration (ADOA) by October 1, 2016. The report will contain the following for each member of the board, commission, council or advisory committee:
  - a) authorized amount of compensation;
  - b) amount of compensation that was paid in FY 2016; and
  - c) amount of reimbursement of expenses paid in FY 2016.

3. Requires ADOA to compile the data reported from each board, commission, council and advisory committee and report the information to the Governor, President of the Senate and the Speaker of the House of Representatives by December 15, 2016, and provide a copy to the Secretary of State.
4. Repeals the board and commission report effective October 1, 2017.
5. Makes technical changes.
6. Becomes effective on the general effective date.

Amendments Adopted by Committee

- Removes requirement for the OAG to annually review the use of all administrative funds, per diem compensation and reimbursement of expenses for each employee or member of a board, commission, council or advisory committee.
- Requires the OAG to annually review a sample of employee and member's per diem compensation and reimbursement expenses.

Senate Action

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Prepared by Senate Research

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RH/rf